



**State of Maine
Board of Corrections**

State House Station #111
Augusta, ME 04333-0111



**TESTIMONY OF
NEALE DUFFETT, CHAIR
BOARD OF CORRECTIONS**

Before the Joint Standing Committee on Appropriations and Financial
Affairs
And the Joint Standing Committee on Criminal Justice and Public Safety
Hearing Date: March 16, 2011

**“LR 2067 “An Act Making Unified Appropriations and Allocations for
the Expenditures of State Government, General Fund and Other
Funds, and Changing Certain Provisions of the Law Necessary to the
Proper Operations of State Government for the Fiscal Years Ending
June 30, 2012 and June 30, 2013.”**

Senator Rosen, Representative Flood, and Members of the Joint Standing
Committees on Appropriations and Financial Affairs and Taxation;
Senator Mason, Representative Plummer and Members of the Joint
Standing Committee on Criminal Justice and Public Safety;
My name is Neale Duffett and I am the Chair of the Board of Corrections.
I am here today to present testimony in support of those items presented in
the Biennial Budget for the Board of Corrections.

Section A

Primary Function:

The primary function of the Board of Corrections is to develop and
implement a unified correctional system that demonstrates sound fiscal
management, achieves efficiencies, reduces recidivism and ensures the
safety and security of correctional staff, inmates, visitors, volunteers and
surrounding communities.

Primary Outcomes:

Since the creation of the Board of Corrections in 2008:

- \$41.7 million in cumulative property taxes will have been avoided since 2009, and replaced with cumulative General Fund Appropriations of \$22.5 million, resulting in a net reduction of \$19.2 million in the cumulative tax burden on all Maine taxpayers through 2013;
- The combined statewide total property tax burden to support the daily operation of the 15 jails was capped permanently at \$62.3 million;
- The 4 proposed county capital construction projects were canceled; and
- The DOC canceled plans to send inmates out-of-state because sufficient beds became available in county corrections.

Please see the Summary Financial Chart, page 6.

Public Interest:

Since the creation of the Board of Corrections in 2008, all stakeholders have worked collaboratively to “Reinvent Maine Corrections” and thereby have changed the future.

- Projected increases in county operations costs have been slowed significantly and have been paid for by the General Fund;
- Projected increases in DOC operating costs has been slowed;
- Capital improvements/construction is now viewed as a system responsibility (not state or county) and collaborative planning has begun; and
- By starting the broad system-wide implementation of “best Maine practices” in pretrial, diversion and reentry programs, we are starting to slow the need for inmate beds, and thus we plan to freeze the number of inmate beds in the system (1844 county and 2088 DOC) through the FY2012-FY2013 Biennium and beyond if possible.

Current Leader and Key Staff:

Neale Duffett, Chair	(since 2008)
Scott Ferguson, Fiscal Agent	(since 2008)
Kate Snyder, Executive Director	(since 2009)
Laura Rodas, Director Pretrial, Diversion & Reentry	(since 2009)

Spending History:

	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
General Fund				
All Other	\$9,169,506	9,169,506	9,150,240	9,150,240

GENERAL FUND				
TOTAL	9,169,506	9,169,506	9,150,240	9,150,240
Other Special				
Revenue Funds	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
All Other	949,259	949,259	949,259	949,259

OTHER SPECIAL				
REVENUE FUNDS	949,259	949,259	949,259	949,259
TOTAL				
Staffing History	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
	0	1	1	1

Employees (Limited Period Position) 1.0

Section B

This is the first Biennial Budget request for the Board of Corrections. Prior to this, county correctional services were funded with an annual appropriation of \$3.5 million in FY2010 and an annual appropriation of \$3.5 million in FY2011.

Budgetary Reduction:

There have been two budgetary reductions to date:

- LD 1824, enacted as PL 2009, c. 644 did two things: (1) amended 12 M.R.S.A. §903 to decriminalize certain violations of rules at Baxter State Park, and (2) de-appropriated \$19,266 from the Board of Corrections in FY2011; and
- The Board of Corrections Investment Fund was reduced \$92,023 in the FY2011 Supplemental Budget.

These reductions had no significant impact in any mission areas.

Section C

Initiatives:

The only initiative for the Board of Corrections can be found on page CRJ-49, Ref. #: 5620. This initiative requests a General Fund appropriation of \$3.5 million in each year of the Biennium to provide continued funding for county jail operations as a result of increased costs associated with:

- **Expiration of Safety Variances**

There are three county jails (Kennebec, Penobscot and Knox) that have been operating under a variance for some time and as of January 1, 2011 all three variances have expired.

- Expiration of a variance realigns jail operations with jail standards, however, there is a cost involved in the reallocation of inmates;
- Four jails with the capacity to increase bed space in the biennium (Cumberland, York, TBRJ and Piscataquis) will be budgeted to accommodate additional inmates.

- **Increased Operating Costs**

The cost of operating jails continues to increase. Increasing fuel prices and associated costs for food and other commodities is driving system increases.

- **Decreased Federal Revenue**

Fewer Federal Boarders in Maine jails and resulting reduced revenues (brought to this Committee's attention in January 2010) continues today. We have met with the U.S. Marshall and staff members of Maine's Congressional delegation to work to remedy this reduction.

The initiative for the Board of Corrections is:

GENERAL FUND	2011-12	2012-13
<u>All Other</u>	<u>\$3,500,000</u>	<u>\$3,500,000</u>
GENERAL FUND TOTAL	\$3,500,000	\$3,500,000

Vision:

One Maine One System is much broader than a corrections system.

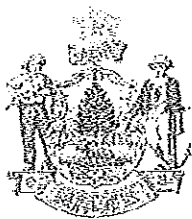
The more than 3500 inmates in the system represent a multitude of challenges that are not normally discussed in the corrections context, yet these challenges must be addressed.

Not only are we operating a corrections system, but we are operating a large education system, a large mental health system, a substance abuse treatment system, a huge health care system and a broad vocational rehabilitation system.

In the past, each correctional facility has addressed these challenges in differing ways and at differing costs.

Across Maine, there exist programs in individual facilities that have been proven to be worthy of recognition. These programs, including excellent pretrial, diversion and reentry programs can serve as models for the expansion of efficient and cost-effective programs across One Maine One System.

The Board of Corrections continues to work hard within Maine's new Unified Corrections System to provide sound fiscal management that directly benefits every Maine taxpayer; a system that leverages opportunities for better practices and outcomes, seeks and manages efficiencies and reduces recidivism.



**State of Maine
Board of Corrections**

State House Station #111
Augusta, ME 04333-0111



Tax Burden Avoided 2009-2013

- **County Corrections (Operations)**

Without the Board of Corrections:

	2008	2009	2010	2011	2012	2013
Property Tax Burden for Jails at LD1 Growth*	\$62.3	\$65.2	\$67.8	\$70.6	\$73.5	\$76.5
Resulting Additional Property Tax Need		\$2.8	\$5.5	\$8.2	\$11.1	\$14.1

With the Board of Corrections:

	2008	2009	2010	2011	2012	2013
Property Tax Burden for Jails	\$62.3	\$62.3	\$62.3	\$62.3	\$62.3	\$62.3
General Fund Appropriations		\$1.5	\$3.5	\$3.5		
General Fund Baseline					\$3.5	\$3.5
General Fund Request					\$3.5	\$3.5

*Source: State Planning Office

Cumulative property tax avoided:	\$41.7 million
Cumulative General Fund expenditures for jails:	- \$22.5 million
Net cumulative tax burden avoided for all Maine taxpayers:	\$19.2 million

- **County Corrections (Debt Service)**

Maine property taxpayers would be starting to repay a staggering county capital construction debt of \$150 million in principal and interest (about \$7.5 million in cumulative debt service annually for 20 years).

- **State Corrections**

Maine taxpayers would be paying an additional \$2.9 million from the General Fund per year to house inmates out-of-state.

M.C.C.A.

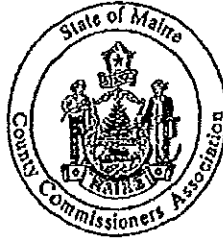
MAINE COUNTY COMMISSIONERS ASSOCIATION

Amy R. Fowler, President
Waldo County

Jonathan LaBonte, Vice President
Androscoggin County

Stephen E. Joy, Secretary-Treasurer
Hancock County

Robert S. Howe, MPA, Executive Director



11 Columbia Street
Augusta, ME 04330
Tel: 623-4697
Fax: 622-4437

March 16, 2011

Senator Richard W. Rosen, Representative Patrick Flood and members of the Joint Standing Committee on Appropriations and Financial Affairs.

Senator Garrett Paul Mason, Representative Gary E. Plummer and members of the Joint Standing Committee on Criminal Justice and Public Safety.

My name is Amy R. Fowler and I am currently President of the Maine County Commissioners Association and a Waldo County Commissioner. Thank you for this opportunity to testify today.

I am here today to speak in support of the Board of Corrections funding request of \$3.5 million in fiscal year 2011-12 and fiscal year 2012-13. This General Fund request appears on page 121 of the Governor's Biennial Budget bill and on page CRJ-49 of the committee's materials. This request provides continued funding for county and regional jails.

County Commissioners understand the significance of our state's financial situation. That is why our jails provide bed space to state inmates at greatly reduced boarding rates of approximately \$23 per day, something they were doing even prior to establishment of the Board of Corrections, saving the state a significant amount of money.

The ever-increasing costs of utilities, food, fuel, collective bargaining and capital needs present real challenges for the counties, costs largely beyond their control. The budget request is considerably less than the combined requests of the individual jails, and less than initially sought by the Board of Corrections.

My highest priority as President of the Maine County Commissioners Association is to make sure county and regional jails are safe and properly staffed which means being adequately funded. With proper funding, we look forward to the continued benefits of reducing recidivism, increasing pretrial diversion and reducing the rate and use of incarceration in our state.

The jails are once again dealing with the reality that the \$62.5 million property tax cap established pursuant to Public Law 2007, Chapter 653 and other available resources may not be enough to adequately operate our county and regional jail's redesigned system.

However, we truly appreciate the General Fund support that is included in the Governors biennial budget and sincerely hope that we do not have to request further funding in our state's supplemental budget process. We will do so only if we truly believe that we cannot continue to safely operate the jails without additional funds.

Thank you for letting me share my thoughts with you today.